

Lucky by Half

THE UNCTAD's World Investment Report, '99, released in Dhaka by the UNDP acting resident representative Andre Klap on Monday has shown Bangladesh as a topper among South Asian countries in terms of attracting FDI in 1998. There was a net increase of US\$ 176 million for Bangladesh in 1998 over US\$ 141 million in 1997 taking the total inflow to US\$ 317 million for the outgoing year. While the Asia-Pacific region as a whole took a tumble by 11 per cent, FDI flows to India dropped by around US\$ 1 billion to stand at 2.25 billion and Pakistan's share fell from US dollar 714 million in 1997 to 497 million in 1998.

The upswing in the FDI flow into Bangladesh during last year was almost entirely due to the transnational companies' investment commitments to our energy sector. This is FDI going into primarily an exploratory sector which must be distinguished from upfront investments in the productive sectors of the economy. True, such infrastructure-related investments by themselves have an intrinsic value in the long run and that the spin-offs from them are also considerable in the immediate term. But by no means should we be deluded into thinking that the upward FDI inflow reflected an increased confidence among foreign investors 'in the growing strength' of Bangladesh's economy. Even an economy in the direst of straits would not be abandoned by foreign investors if it has got a proven potential for lucrative prospecting in the natural resources sector, especially hydrocarbons.

So, the truth emerging from the increased flow of FDI into Bangladesh is neither the kind of laurel we can rest our oars on nor is it something the government should use as a material to brag about the so-called ideal conditions for investment, perfect health of the economy and foreign investors going hammer and tong to put their money upfront in Bangladesh.

We have to get the fundamentals right before we can imagine ourselves flagged on the road-map of foreign investors. The bottomline from the latest UNCTAD meet is: "It is not enough for a country to declare incentives and claim that it has the best package to offer what must be the determinant of FDI flow is that country's proven ability to deliver on its promises." The message is loud and clear.

Shikdar Cupboard

INDEED, the government deserves credit for diligently pursuing the Ershad Shikdar case. As navy divers continue recovering human skulls and bones from the riverbed of the Bhairab, unveiling, in the process, the sordid tale of crime and atrocity perpetrated by Shikdar over the years, general expectations as regards punishment for the notorious killer and terrorist heighten. However, questions naturally arise: why was he allowed to get on with his heinous deeds all these years? Even if it is presumed that the previous government preferred to turn a blind eye to Shikdar's activities, why hasn't the present one which is three-year old initiated an investigation earlier? Strangely, he had been on the ruling party ranks until recently before being dismissed by the leadership. According to a report carried by a leading Bangla daily, State Minister for Disaster Management and Relief Jahanara Hussain Khan publicly apologised for not expelling Shikdar earlier, saying that he gave him a "chance" to come clean and he didn't know of his cruelty. The fact of the matter is: our political parties do keep terrorists under their patronage and Awami League is no exception. Thankfully, the ruling party has decided to rid itself of one. Hopefully, the cleansing would continue and other political parties would draw a message or two from the shattering revelation about no-holds-barred criminality.

The very presence of the home minister, inspecting the recovery of material evidence from the river-bed surely underlines the government's sincerity in this regard. However, certain comments in his speech at a rally later on appeared to be uncalled for. Why drag the High Court into a controversy on a presumption that it might act in a particular way? The court of law hands out verdict on the merit of a case presented before them. If, we hope it wouldn't happen, Shikdar is released on bail, that would reflect the government's failure to make out a strong case against him although there is all the evidence in the world suggesting otherwise. The Home Minister better stop crying 'wolf, wolf' when it is not there.

Water Crunch in Chittagong

THE people of Chittagong are going through a drinking water crisis again. This sprawling port city with an estimated 3 million people is pitifully short of drinking water everyday. According to a report in The Daily Star on Tuesday the city dwellers have only 38 per cent of their daily requirement met. WASA officials have warned that unless major steps are taken immediately to raise production of drinking water it will be difficult to tackle the problem. The City Corporation Mayor is reported to have written letters to the Prime Minister and ministries concerned for steps to resolve the crisis. But the tragic part is that the installation of the second water treatment plant at Mohra which could augment the supply by 20 million gallons, much short of the demand though, has been shelved 'due to bureaucratic tangles'. The crisis has not only affected the people of the city but the CEPZ also as production in this special industrial zone has been suffering due to short supply of water. This is too bad.

The relevant ministry, the city corporation and the Chittagong WASA must together steer clear of the tangle and install more than one water treatment plant to augment supply of potable water in the port city. Some forward planning has to be done keeping in view the growth of population in the port city over the next 20 years. If the Karnaphuli and Halda rivers and the Bay of Bengal cannot provide water to the Chittagonians, what else will?

India's Nuclear Doctrine

The doctrine is claimed to have been based on 'effective minimum credible deterrence'. However, its contents imply a process of weaponisation beyond the capabilities achieved in Pokhran II indicating that India may have to resort to fresh series of nuclear tests.

IN South Asia's already charged security environment after the Kargil war and the shooting down of a Pakistani maritime surveillance aircraft over the Raan of Kutch, the mercury suddenly shot up when on August 17 India's nuclear doctrine was announced in a press conference by the country's redoubtable national Security Adviser, Mr Brajesh Mishra. Such a major policy doctrine is usually not drafted by a caretaker government — that too at a critical juncture when the country was about to go through a crucial parliamentary poll. The last significant act of the interim government has however been the unveiling of the vision of India's nuclear weaponised future. The six-page Draft Indian Nuclear Doctrine (DIND) presented as a "consensus" document is indeed an egregious exercise of bomb rattling casting fresh an ominous shadow over the region.

The manner and timing of the unveiling of the doctrine has been significant. As a part of a muted post Kargil and pre-election exercise to boost Mr Vajpayee's image as a great leader in war and peace the National Security Advisory Board (NSAB) appointed by the BJP government found it expedient to bring the doctrine to light only two weeks before the poll would commence. But even before coming to power India's present Hindu fundamentalist leadership declared that it would conduct nuclear test and induct nuclear weapon in the country's arsenal. It has done the first one through Pokhran II and now it has outlined its military goal in the nuclear doctrine.

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process of weaponisation beyond the capabilities achieved in Pokhran II indicating that India may have to resort to fresh series of nuclear tests. The doctrine envisages New Delhi's goal of acquiring massive nuclear war fighting capabilities — a 'triad' of up to 400 operationally deployed ground, air and sea based nuclear weapons. Such a size of India's nuclear arsenal and its operational deployment would transform it into a threatening 'first strike' force against Pakistan and other neighbouring countries. The massive deployment envisaged in the doctrine can not conceivably be designed purely for deterrence. Also according to the observers a nuclear force as large as this may be credible but will certainly not be minimal. Even some of the members of the N-5 lack this force size.

In spite of India's profession of no-first use, the formulation introduced in the doctrine will push it toward launch on warning or 'launch-under-attack'. To achieve this capability India will have to undertake a nuclear weapon programme with all the associated assets to approach the level of an advanced nuclear power. The NSAB has amended the prime minister's official commitment in his December 15, 1998 statement in the Rajyasabha on the non-use of India's nuclear weapon against 'non-nuclear weapon states'. The DIND has, in a disturbingly ambiguous formulation, that commitment. For immunity from India's nuclear weapon the 'non-nuclear weapon states' will also have to be 'without an alliance with a

nuclear weapon country. This is obviously to frighten the neighbourhood from getting inclined to Pakistan.

As expected the highly chauvinistic DIND has drawn sharp reaction from all quarters. Pakistan, India's arch rival, has responded in its characteristic tit-for-tat manner announcing that it is giving 'final touches' to its own nuclear doctrine. Pakistani officials have however accused India of resorting to a kind of 'bankmanship' in the name of 'minimum nuclear deterrence' which will bring the subconti-

and to renounce its nuclear weaponisation programme. Only two days before the announcement of DIND, Mr Atal Behari Vajpayee in his Independence Day speech asserted that India would in its arsenal the Agni II missile which is capable of reaching many Chinese cities. China has been the only permanent member of the UNSC that has consistently emphasised the need for India's abiding by the Security Council resolution No 1172. The resolution reflects the will and embodies the position of international commu-

say that Indian nuclear doctrine is against the interest of global security. The US spokesman dismissed India's contention that it needed a nuclear deterrent to avert possible nuclear blackmail by China. The Clinton administration is still of the view that India's nuclear ambitions were based on other factors, G-8 member countries have also not favoured India's adoption of a nuclear doctrine. They decided to continue to defer funding by international financial institutions of India's non-basic human needs.

At home, the reaction to DIND has been much more strident. Angry reaction abounded in India where a significant segment of intelligentsia media persons and politicians accused the NSAB of hijacking in BJP-RSS authoritarian style India's disarmament-oriented, self-restrained and independent nuclear policy and twisting it out of shape to give it an aggressive menacing look in a controversial nuclear doctrine.

The opposition parties are furious at the caretaker government's decision to release the document at this juncture. The Congress spokesman, Pranab Mukherjee has called its contents 'irresponsible' and ones that can spark off arms race. "Politically and morally," he said that his "government had no business to bring out the document which will affect the life of the entire subcontinent". Ridiculing Mr Vajpayee's credibility, Mr Mukherjee observed that Pakistan sent troops to Kargil disregarding such deterrence. Former Prime



PERSPECTIVES by Brig (Rtd) M Abdul Hafiz

ment again on the brink. They see in the draft DIND a clear indication of a dangerous escalation in the nuclear and conventional arms build-up. Naturally standing his war of words with Jaswant Singh of India, Pakistan Foreign Minister's comments were full of sobriety when he said that his government's nuclear doctrine would be based on nuclear restraint regime discussed between India and Pakistan during secretary level talks last year.

China, another nuclear power in the neighbourhood, seems to have serious misgivings about India's nuclear doctrine. She is learnt to have urged India not to induct nuclear missiles into its arsenal

nity on South Asia's nuclear issues.

Washington, which was being wooed by India in recent months also reacted adversely. Characterising India's move to develop nuclear deterrence as "unwise", the US spokesman said that the possession of missiles and nuclear weapon would give India less security. According to him it is not in the national interest or the security interests of these countries (India and Pakistan) to develop nuclear weapons capability, to develop an elaborate doctrine and to encourage an arms race. The Clinton administration seems to have adopted a tough stance on the issue as the US State Department officials now

Outcome of APEC Summit Will the Poor Nations Ever Get Their Share of Ice in Summer?

by AMM Shahabuddin

Let us wait and see how long the developed rich nations continue to enjoy their monopoly of trade supremacy at the cost of underdeveloped poor nations. But too much 'economic greed' on their part might ultimately lead to economic disaster. Let not their 'bread' fall on the 'battered side'.

"THE rich man gets his ice in the summer and the poor gets his in the winter", so goes an old adage. It gives two contradictory pictures, one sunny and bright, the other, tragic and pathetic. In fact, they are parallel, perhaps destined not to meet ever. But has it got any relevance to the outcome of the recently concluded summit of the 21-member APEC (Asia Pacific Economic Cooperation) forum in Auckland, New Zealand, or, for that matter, with results of the forum's previously held summits? Perhaps, yes, considering the way things are moving at these summits. They say, "scratch a Russian and you find a Tartar". So the "Tartar" is present there, may be in disguise, sometimes to amuse you and sometimes to exploit you. The proverbial "Trojan horse" is always deceptive and better to be forewarned of.

APEC and Developed Nations: Naturally, it prompts you to search for the tangible outcome of such a high-profile summit of Asia-Pacific region, practically overwhelmed by the active and vocal presence of powerful world leaders, led by none other than US President Bill Clinton. The message is clear: The same old dictum — "Head I win, tail you lose". So you lose at any cost. The APEC Summit has proved, beyond doubt, that it is not a one-sided game, so long as the other side is playing well. Two divergent views have emerged. It clearly shows that one powerful group, dominated by the developed countries, led by America, plans to do, to have a 'free hand' in the Asia-Pacific region, using APEC as a 'spring-board', and a 'proper channel', and another

group, consisting mostly of the developing countries, led by that most outspoken Asian spokesman, consequently most disliked by the West, Malaysian Prime Minister Mahathir Mohammad who didn't attend the recent Auckland Summit for some obvious reasons, and to quote him, "I don't expect much to achieve in New Zealand". Indeed, a deep sigh of a disappointed but bold Asian leader.

America's Dual Game: The strange behaviour of some of the leading industrial countries, particularly America, has already created a stir not only among the developing countries, but also among some of the developed countries. While the developed countries continue to buzz on their same hackneyed tune of 'cuts in tariffs, 'free trade' and 'liberalisation', at the same time, they are very particular to raise their tariff-walls, by putting more 'restrictions', 'sanctions' and imposing high taxes on their imports. America perhaps is the lead country in this new 'trade-game'. Not only that, America is now trying to

provide more than a multimillion-dollar 'bail-out plan', in the name of 'subsidies' to US farmers (to the extent of \$7.65 billion) to boost US produce, especially wheat, with a view to augmenting exports of their agricultural products. Such a dual trade policy of preaching one thing for others to follow, and practising a different policy at home to help the "cash strapped", well-coined! "US farmers to compete with other countries, is likely to alienate America not only from the developing countries, but also from some of the developed countries, hit hard directly by such a policy.

There are lots of such examples to show the inconsistency in America's two-faced trade policy. Just a week before the beginning of the Auckland Summit, America introduced policies enraging both Asian and EU countries. While Japan reacted sharply to America's policy to curb Japanese steel shipments, Australia and New Zealand were critical of US restrictions on lamb imports. An Auckland based magazine was reported to have called

President Clinton a "free-trade hypocrite", while Australian Prime Minister Howard also called him "a hypocrite", and warned to take the case to WTO. Similarly, EU had already warned America to bring complaint to WTO.

Worsening Trade Balance: What is bothering America in the global whirlpool of trade competition is that it is gradually losing ground to others as its growing global trade imbalance has reached a record high of \$24.62 billion this year and it is expected to get worse in years to come if things move the way they are moving, and unless the flow of US imports, particularly from Asia-Pacific region and Europe, are curbed immediately with imposition of heavy tariffs on them. This terrible situation is naturally putting great pressure on the US Congress as well as President Clinton, because, as the US Commerce Secretary, William Daley, puts it: "Politically, there is a point that it begins to strain".

Perhaps to lend moral support to two opposing views over APEC's 'action-plan' to achieve

their goals, two parallel conferences of the Pacific rim business leaders and the other of the leading economists, commercial experts and analysts — were held in Auckland simultaneously with the APEC Summit. On one hand, the business leaders criticised APEC's "slow performance" in lifting trade and investment restrictions to achieve the goal it set in 1994 of free trade by 2010 for its developed countries and by 2020 for its developing countries. On the other hand, the conference of the economists and commercial experts criticised the move by the developed countries to use APEC as a 'channel' to promote their goals by forcing a solution at the next WTO session in November. So the business leaders' conference has suggested that a "robust" APEC trade agenda should be presented at the upcoming WTO session. They have, however, agreed to allow some 'concessions' to the developing countries by saying that, at the next WTO meet, APEC members "should not have to commit to further tariff cuts until a full WTO package is ready — probably in three years". Does it reflect a sense of defeat or a sort of hugger-mugger signal on the part of the developed countries?

Many APEC critics have their own views. They apprehend that "unbridled free trade" would hurt the poor nations because, they argue, the small

businessmen and farmers in the developing countries would be totally overshadowed by powerful companies from abroad. Undoubtedly, it would be a glaring example of a big fish eating a small fish. "Coercing" Poor Countries: It was Malaysian Prime Minister Mahathir who perhaps rightly saw through this game and exposed thoroughly the 'designs of the developed countries against the developing countries. Addressing the 1996 APEC Summit held in Manila, Mahathir openly accused APEC forum of "coercing" the less developed countries "beyond their capacity", adding, they are paying more attention on "trade liberalisation" than on "development cooperation".

It may be recalled here that Mahathir imposed "capital controls" in his country, (to the great displeasure of developed countries), to revive Malaysia's struggling economy and was able to put it on right track. He believes that such steps (as his "capital controls") should be taken globally to prevent unscrupulous currency traders from causing 'economic crashes' in developing countries, as they had done in a planned way in the Asia-Pacific region in 1997. That is why he said, on the eve of the recent Auckland Summit, "Frankly, I don't expect much from APEC. APEC has shown it is unwilling to take decisive steps, particularly with regard to the financial crisis". Hence the big question remains unanswered: Will the poor nations ever get their proper share of 'ice' from the rich nations during summer, instead of shivering under it in winter? Let us wait and see how long the developed rich nations continue to enjoy their monopoly of trade supremacy at the cost of underdeveloped poor nations. But too much 'economic greed' on their part might ultimately lead to economic disaster. Let not their 'bread' fall on the 'battered side'.

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To the Editor...

Decentralised RAJUK

Sir, Inefficient, top-heavy, and bottomless Rajuk has become unworkable because the huge clients' wishes and desires have made it too powerful. It has to work under a severe theoretical restriction: its supply (of plots) is far short of the huge demand for land in the metropolis, from applicants who are widely heterogeneous. The gap has been widening every year, due to urban migration, and concentration of too much authority in the metropolis (one of the reasons the former president Ershad has cleverly suggested the creation of several provinces in Bangladesh, to de-focus the spotlight on Dhaka).

Demands create touts; and the latter come or appear in all varieties, at all levels, to cream off the commissions, to live a better life. The latter is a noble aim, but the means are mean; and that is where the trouble starts.

About Shaheed Minar

Sir, This refers to the news item published in the DS on Sept 25, 1999, captioned "Sculptor Novera to return home after 3 decades." I want to refer several books, one by professor Rafiqul Islam ("Bhasha Andolan o Shaheed Minar" published by Ananda 1982) of the Bengali Department, Dhaka University. He was a close associate of the painter-architect late Hamidur Rahman. In the book, he clearly stated the details of Hamidur Rahman's work in designing the Shaheed Minar. In another book by Alauddin al-Azad (printed by Bangla Academy in 1992), the author has given his eye witness account as well as documentary proof of Hamidur Rahman's assignment given to him alone by PWD. There are many comments of important personalities in this book — one is by the High Commissioner of Bangladesh in London in March 1973. On page 65, Hamidur Rahman has been acknowledged with the words "Undying reputation as the designer of Shaheed Minar".

There is a third book compiled and edited by Sayeed Ahmad published by Shilpakala Academy in 1997. In this too there are lot of informations about the commissioning of late Hamidur Rahman to design and execute the Shaheed Minar. The chapter titled "It is my mother's" explains the concept of the design quoting Shilpacharya Zainul Abedin who was asked to say what the artist Hamidur Rahman had conceived. The book contains how the process of design submission along with 52 drawings and sketches was made. The Selection Committee comprised Greek Architect Doxiadis, Shilpacharya Zainul Abedin and Mr Jabbar, Chief Engineer of PWD. These three books by well-known and renowned personalities produce enough information — that do three sculptures as part of the landscaping.

Registration of political parties

Sir, It is an undisputed fact that parliamentary democracy cannot run with coherence and effectiveness unless it is served by well organised political parties. This means that for the survival of parliamentary democracy, organised and constructive political parties are essential. But a political party cannot be well organised all by itself. Some regulatory principles must exist for this purpose. For organising as well as for effective functioning of a political party, huge funds are needed. In our country, the leading political parties are largely dependent on the business community for funds. When a party forms the government after winning the election it becomes their moral obligation to compensate those members of the business community who contributed fund for meeting their election and other expenses. In doing so, the largest interest of the nation is often undermined. As a safeguard against such eventuality, a scheme of state funding of political parties and the candidates should, subject to certain conditions, be introduced.

FEMA — a citizens' coalition for monitoring election in Bangladesh — wants to emphasise that for free, fair and impartial elections a law should be made without further delay making provisions, amongst others, for the following: 1. Compulsory registration of the political parties with the Election Commission. 2. Circumstances under which the registration can be canceled or revoked or withheld or suspended for a particular period by the Election Commission. 3. Circumstances under which a candidate can be disqualified for contesting in an election for any period — not exceeding six years. 4. Funding of political parties for equalising the opportunity of all candidates subject to fulfillment of certain conditions as may be specified. 5. Compulsory maintenance of accounts, including all receipts and donations, minute books etc. 6. Open acceptance of donations from business organisations and individuals with proper receipts to suitable regulatory conditions, including task relief with ceiling in the case of individual and corporate donors. 7. Compulsory audit of accounts by an agency to be nominated by the Commission. 8. Submission of periodical reports to the commission.

Art Buchwald's COLUMN

Money, Money, Money

LAST summer the talk was about sex — not just ordinary sex, but major-league sex. It took up the conversation of every decent person in the country. But this year, just when we couldn't take it anymore, people started talking about money instead of sex. Danielson said, "Talking about sex is always important, but money has a higher priority." "You can say that again," Mrs Danielson agreed. Albert Ratner said, "Sex has something to do with somebody else, money has to do with us." "I never thought during the days when sex played such a big part in our lives that the Dow Jones would affect us more than what people were testifying in a grand jury room." Mrs. Socolow said, "I don't believe in infidelity, but if I had to choose between it and a good mutual fund, there is no doubt which one I would take." Mr. Socolow said, "You can have both, I've never said this before, but I think my broker fools around." "You never know how people are going to behave in the stock market until it's going up," Rorbach said. "I'd rather put my money in an ordinary US Treasury note than in a noble Chateau Lafite Rothschild. I don't think I would have said this at the beginning of the summer." Glickstein said, "Can't we talk about something besides investments? It's so sleazy." "There is a lot more to be said about blue-chip stocks than any of us want to admit," Goldman said. Then there was a vote. All those who would rather see the market go back to 8,000 than fool around were asked to raise their hands. Then all those who would rather read about people who are having affairs were asked to say, "Aye." The vote was very close, but more people were concerned about their own money than they were about somebody else's pleasure. Based on the vote, the market went up. By arrangement with Los Angeles Times Syndicate and UNB